BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SCHENK TO INTERROGATORIES OF MAGAZINE PUBLISHERS OF AMERICA (MPA/USPS-T43-4(a) and 5(a)

The United States Postal Service hereby provides the responses of witness Schenk to the following interrogatories of Magazine Publishers of America: MPA/USPS-T43-4(a) and 5(a), filed on October 19, 2001. The following interrogatory subparts were redirected to the Postal Service: MPA/USPS-T43-4(b) and 5(b).

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Nan K. McKenzie

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–3089 Fax –5402 November 2, 2001

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SCHENK TO INTERROGATORIES OF MAGAZINE PUBLISHERS OF AMERICA

MPA/USPS-T43-4. In Section II of your testimony, you discuss your methodology for calculating cost savings from reduced bundle breakage.

- (a) Please confirm that reducing bundle breakage, as modeled using USPS-LR-J-61, reduces costs by replacing piece sorting (of pieces in broken bundles) with bundle sorting (of intact bundles), which is a less expensive activity on a perpiece basis. If not confirmed, please explain fully.
- (b) Please confirm that the cost savings, as modeled using USPS-LR-J-61, from presorting also results from replacing piece sorting with bundle sorting, which is a less expensive activity on a per-piece basis. If not confirmed, please explain fully.

RESPONSE:

- (a) Confirmed.
- (b) Redirected to USPS.

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MPA/USPS-T43-5. Please refer to Section III of your testimony.

- (a) Please confirm that the cost savings from the LOT requirement for Periodicals Carrier Route Basic mail reduce city carrier in-office costs by increasing the efficiency by which carriers can case Carrier Route mail. If not confirmed, please explain fully.
- (b) Please confirm that implementing the LOT requirement does not require significant changes to city-carrier operational procedures. If not confirmed, please explain fully.

RESPONSE:

- (a) Confirmed that the LOT requirement for Carrier Route Basic mail reduces city carrier in-office costs by increasing the efficiency by which carriers can case Carrier Route mail that is not presented in any particular order.
- (b) Redirected to USPS.

DECLARATION

I, Leslie M. Schenk, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

eslie M. Schenk

Dated: 11 2 01

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Nan K. McKenzie

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 November 2, 2001